



**Environmental Services Division**  
Energy and Waste Management Bureau

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## **OIL PRICES UP; RELIEF NOT IN SIGHT FOR JANUARY**

DES MOINES – Gas prices are on the rise throughout most of Iowa. The largest jumps occurred in Des Moines, Dubuque, and Council Bluffs. Other cities across the state also experienced increases at the pump, with the state average increase totaling 3 cents. Even with the recent price hikes, Iowa remains 10 cents below the national average of \$2.29 per gallon.

The increase comes after the Organization of the Petroleum Exporting Countries (OPEC) cut 1.2 million barrels per day of member production on November 1. More recently OPEC has pledged to cut another 500,000 barrels per day from output starting on February 1. Gasoline prices have jumped in unseasonably warm weather due to lower supplies from refineries, which take care of maintenance issues this time each year.

“We did not expect increases with oil futures as up and down as they are,” said Brian Crowe, energy data analyst with the DNR. “The unfortunate news is that traditionally in the first quarter of every year prices tend to go up 6 to 9 percent. That means that there won’t be any relief in the near future for Iowans, even if winter continues to be mild.”

On December 15, U.S. crude oil stocks totaled 329.1 million barrels, 7 million barrels (2 percent) lower than the previous month and 2 percent higher than this time last year. Crude oil stocks are significantly above the top of the 5-year average inventory range for this time of year.

The DNR’s fuel price survey completed on December 18 indicated that the average retail price of heating oil in Iowa was \$2.28 per gallon, \$0.01 lower than last month and 8.1 percent lower than the price of heating oil at this time last year.

On December 20, natural gas was trading at \$6.44/MMBtu, \$1.14 lower than month, and 52.6 percent lower than the price of natural gas this time last year (\$13.58/MMBtu).

### 10% Ethanol Average Retail Price Per Gallon -- Major Iowa Cities

<b>Self-Serve Ethanol</b>	<b>12 /12/06</b>	<b>11/12/06</b>	<b>Difference</b>
Ames	2.14	2.12	+0.02
Cedar Rapids	2.14	2.15	-0.01
Council Bluffs	2.15	2.10	+0.05
Davenport	2.14	2.18	-0.04
Des Moines	2.14	2.06	+0.08
Dubuque	2.26	2.20	+0.06
Fort Dodge	2.18	2.16	+0.02
Iowa City	2.20	2.20	No Change
Sioux City	2.18	2.14	+0.04
Waterloo	2.17	2.14	+0.03
Webster City	2.22	2.20	+0.02
<b>Average Metro Price</b>	<b>2.19</b>	<b>2.16</b>	<b>0.03</b>

Source: Oil Price Information Service, [www.opisnet.com](http://www.opisnet.com)

### Motor Fuels Survey State Average Price Per Gallon

<b>Self-Serve</b>	<b>12/12/06</b>	<b>11/12/06</b>	<b>Difference</b>
Regular Unleaded with 10% Ethanol	2.19	2.16	+0.03
Regular Unleaded	2.22	2.18	+0.05
Premium Unleaded	2.24	2.22	+0.02
Diesel	2.65	2.61	+0.04

Source: Oil Price Information Service, [www.opisnet.com](http://www.opisnet.com)

### Heating Fuels Survey

<b>Heating Fuel Type</b>	<b>12/18/06</b>	<b>11/13/06</b>	<b>Difference</b>
Natural Gas	6.44 (12/20)	7.58 (11/21)	-1.14
Propane	1.48	1.47	+0.1
#2 Heating Oil	2.28	2.28	No change

Sources: Wall Street Journal, Iowa Department of Natural Resources